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PPB No. 72-0840

8 JUN 1972

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MEMORANDUM FOR: Mr. Briggs

SUBJECT: OMB Circular A-44 Revised

1. Now that we have finally received the revised Circular A-44 the Executive Director-Comptroller needs to make decisions concerning assignment of responsibility:

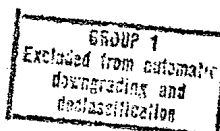
- a. for the overall management review and improvement program (paragraph seven)
- b. for action on the several different elements of the program and
- c. for preparation of the several sections of the annual report.

2. Paragraph seven requires that overall responsibility for the coordination of an Agency's management review and improvement program be delegated to a top-level official reporting directly to the Department or Agency Head. This requirement suggests assigning the responsibility to either the Inspector General or the Executive Director-Comptroller.

3. Basically the Circular "consolidates" the annual reporting requirements contained in several other OMB documents:

- a. Reporting requirements of the old Circular A-44 on Management Improvement
- b. The Reports Reduction reporting requirements

with staff support from PPB in coord with IG

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- c. The Financial Management Improvement Program
- d. The automatic data processing accomplishments and improvements.

While it establishes "one report" it is more accurately eight reports submitted at one time:

Section I - Management Reviews--a summary report which includes description of the procedures utilized by the Agency to conduct management reviews; review plans for the upcoming current year and a report of the accomplishments and achievements of the review program for the past fiscal year.

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Section II - Priority Improvement Projects--a report of the projects under way or to be undertaken to improve a Government operation or program.

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Section III - Financial Accomplishments and Plans--similar to the current financial management improvement report except perhaps in a little more summary form.

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Section IV - Automatic Data Processing Improvements--in two parts covering (1) improvements in the performance level of programs or activities resulting from the use of ADP and (2) significant improvements in the management of computer facilities and resources.

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Section V - Management of Federal Reports--essentially a report of the Agency's efforts to reduce costs of reporting.

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Section VI - Productivity Improvements--covering plans for the current year as well as achievements in the past year by program, project, or function.

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Section VII - Cost Reductions--the establishment of cost reduction and savings goals for the upcoming current year and those achieved during the past year together with a report on the disposition (e.g., reprogramming or returning to the reserve) of savings achieved.

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Section VIII - Nominations for the Presidential Management Improvement Awards.

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4. In view of the Inspector General's assigned missions and functions together with his established policy of scheduled reviews of organizations and activities in the Agency it would seem logical to assign to him the responsibility for actions envisioned under Sections I and II. The Director of Finance is currently responsible for preparing the Financial Management and Improvement Report and can obviously retain that responsibility for Section III of the new Circular A-44 report. The Information Processing Board seems the logical body to assume responsibility for preparing Section IV--the ADP Improvement Report. I frankly have no recommendations to make on Section V, the Reports Reduction Report. If we stick only with administrative management reports, the DDS is the logical place for this report to go. If we choose at this time to include substantive intelligence and operations reports, I suppose each Deputy Director ought to report the accomplishments in his own Directorate for consolidation by either the Office of Programming, Planning, and Budgeting or the Inspector General. Section VI (Productivity Improvements) seems to impact directly on each Deputy Director and I would think that they should be assigned responsibility for productivity measurement in their own Directorates and report accomplishments within that area. Section VII (Cost Reductions) again seems under the Agency's management philosophy to be a responsibility of the respective Deputy Director. Section VIII (Management Improvement Awards) can be consolidated by the Director of Personnel but, of course, would have to result from nominations made by each Deputy Director.

5. Once Mr. Colby has decided how he wants to allocate responsibility under Circular A-44 either the Inspector General or the Office of Planning, Programming, and Budgeting can prepare the necessary implementing instructions. The only thing to note is that the first report under this Circular is due in OMB by September 1 so we ought to get out with instructions fairly soon.

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(9 June 72)

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72-104111

28 February 1972

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72-0245

MEMORANDUM FOR: Director, PPB
Inspector General
Deputy Director for Support

SUBJECT : OMB Circular A-44

1. Attached is a copy of a ~~Final Draft~~ of OMB Circular A-44 on a Management Improvement Program, which will probably be issued in the near future by OMB. It reflects comments submitted, including our own, suggesting a reduction of the number of reports required.

2. This can be a significant effort by OMB. I would appreciate it if PPB would take on the over-all staff responsibility for consolidating replies to this, with IG contributing on the management review portions and DDS, of course, contributing on the various aspects referring to institutional arrangements, or incentive systems, nominees for the Presidential Management Improvement Award, etc.

3. Copies of this draft OMB Circular are being made available to information addressees in order to alert them to OMB's thrust on the subject of management improvement. We obviously have a number of systems extant in the Agency which should help us to respond to this new thrust, i. e., our Program Review, the IG Surveys, the DCI Annual Conference with the Deputies, the Deputies Meetings, etc. The attached circular will put new pressure for performance on these and may require us to develop some modifications and improvements of our over-all system. These will be discussed with the Deputies before implementation. Meanwhile, suggestions and recommendations are invited.

W. E. Colby
Executive Director-Comptroller

Copies to:

1 - DDP
1 - DDS&T
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Attachment

Draft OMB Circular A-44